

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: FILINGS BY NEW ENGLAND GAS COMPANY :
GAS COST RECOVERY FILING : DOCKET NO. 3696
DISTRIBUTION ADJUSTMENT CLAUSE FILING : DOCKET NO. 3690

NOTICE OF PUBLIC HEARING

Pursuant to the provisions of Sections 39-1-1 and 39-3-11 of the General Laws, as amended, the Public Utilities Commission ("Commission") will conduct public hearings on the following dates and locations:

September 12, 2005 @ 7:00 P.M.	Public Utilities Commission 89 Jefferson Boulevard Warwick, Rhode Island
September 13, 2005 @ 7:00 P.M.	Harris Hall, Woonsocket City Hall 169 Main Street Woonsocket, Rhode Island
September 19, 2005 @ 7:00 P.M.	RI Community Food Bank 200 Niantic Avenue Providence, Rhode Island
September 21, 2005 @ 7:00 P.M.	North Providence Town Hall Council Chambers 2000 Smith Street North Providence, Rhode Island

The hearings may continue thereafter from day to day and time to time as required.

In these dockets, the Commission will examine the propriety of filings submitted by the New England Gas Company ("NEGas") seeking to implement revised rates and charges that would be in effect November 1, 2005 to October 31, 2006. In Docket No. 3696, NEGas filed to increase: 1) the Gas Cost Recovery ("GCR") charge for all customer classes, 2) the Natural Gas Vehicle rate and 3) charges associated with transportation services billed to Gas Marketers. The GCR allow the Company to reconcile and recover its estimated costs for gas supplies, including the cost of pipeline transportation and storage capacity. The proposed GCR factors on a per therm cost basis are: \$1.13705 for Residential and Small C&I customers; \$1.13099 for Medium C&I customers; \$1.13874 for Large Load Factor C&I customers; \$1.1031 for Large High Load Factor customers; \$1.13601 for Extra Large Low Load Factor customers; and \$1.08741 for Extra Large High Load Factor customers. The proposed GCR factor for Natural Gas Vehicle is \$0.8882 per therm.

In Docket No. 3690, NEGas filed to decrease the Distribution Adjustment Clause ("DAC") factor. The DAC is a cost recovery and reconciliation clause that requires an annual updating of identifiable special programs such as environmental cost recovery and weather normalization, as well as to facilitate the timely rate recognition of incentive provisions. The filing also incorporates an earnings sharing calculation required under the merger agreement in Docket No. 3401 that consolidated the operations of the Providence Gas and Valley Gas Companies. The earnings sharing provision will return \$104,802 to ratepayers through the DAC. The proposed DAC factor on a per therm basis for all customers is (\$0.0030), a decrease of \$0.0049 from the currently effective DAC factor.

If approved, the combined net bill impact of the GCR and DAC charges on a typical residential heating customer using 1,035 per therms per year would be an annual increase of \$188, or 13.0%, from \$1,451 to \$1,639. The Commission may approve different rates that made be higher or lower than those proposed by New England Gas Company. The deadline to file a Motion to Intervene as a party in this docket is September 16, 2005.

The filings may be examined at the Commission's office and at the office of the New England Gas Company, 100 Weybosset Street, Providence, Rhode Island. The filings can also be accessed on www.ripuc.org/eventsactions/docket/3690page.html and www.ripuc.org/eventsactions/docket/3696page.html.

Reference is made to Chapters 39-1, 39-3 and 42-35 of the Rhode Island General Laws; specifically Sections 39-1-7, 39-1-8, 39-1-11, 39-1-12, 39-1-16, 39-1-18, 39-1-20, 42-35-8 and 42-35-10.

THESE BUILDINGS ARE ACCESSIBLE TO THE HANDICAPPED. INDIVIDUALS REQUESTING INTERPRETER SERVICES FOR THE HEARING IMPAIRED MUST NOTIFY THE COMMISSION CLERK'S OFFICE AT 941-4500, SEVENTY-TWO HOURS IN ADVANCE OF HEARING DATE.

Luly E. Massaro
Commission Clerk
September 2, 2005